United Nations DP/CCF/ZIM/2

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
22 February 2000
Original: English

Second regular session 2000
3-7 April 2000, New York
Item 9 of the provisional agenda
Country cooperation frameworks and related matters

Country cooperation framework for Zimbabwe (2000-2003)

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00-31731 (E) 130300

Introduction

1. The second country cooperation framework (CCF) for Zimbabwe covers the period 2000-2003. The CCF has been produced in consultation with and with the participation of the Government of Zimbabwe, United Nations specialized agencies, funds and programmes, civil society, the private sector and donors. The CCF takes into account Zimbabwe's national policy frameworks such as the Poverty Alleviation Action Plan (PAAP), the Zimbabwe Programme for Economic and Social Transformation (ZIMPREST) and the draft national long-term planning document Vision 2020.

I. Development situation from a sustainable human development perspective

Governance

2. There has been growing concern in Zimbabwe on the part of the Government and civil society about diminished confidence in governance systems and the Constitution, declining expenditures on basic social services, laxity with regard to accountability, and taxation issues. The current economic crisis has exposed the shortcomings of governance systems. Rising unemployment, increased cost of living, erosion of real wages, absence of a strong social safety net and economic stagnation have led the Government to pursue long-term stability by revisiting existing governance arrangements. This resulted in the drafting of a new Constitution in 1999. The Government has also committed itself to electoral reform. UNDP has actively advocated and supported the constitutional and electoral reforms in Zimbabwe.

Macroeconomics

3. The country's macroeconomic conditions have deteriorated over the past two years. In this environment, the Government has had difficulties in fully implementing its national reform strategies and policies set in ZIMPREST and aimed at achieving sustainable economic growth and poverty reduction.

4. In 1997, Zimbabwe plunged into an economic crisis. Inflation reached 70 per cent in October 1999. The main reason for the economic downturn is persistent budget deficits. The deficits have largely been financed by heavy domestic borrowing in the absence of external balance-of-payments support. Government domestic borrowing has impeded private-sector loan supply and pushed up interest rates. The International Monetary Fund (IMF) stand-by credit facility has been mostly suspended for the past two years owing to concerns raised by the donors over general macroeconomic management and governance issues.

5. High inflation renders planning and social expenditure monitoring difficult for the Ministries. The implementation of the indigenization programme has been underfunded rendering economic empowerment elusive. The defense budget has almost doubled in nominal terms since 1998.

6. The Government will have to reduce monetary growth and simultaneously tighten fiscal policy. Budgetary monitoring mechanisms have to be strengthened and domestic borrowing contained. The Government has indicated that its civil service reform programme will be accelerated to reduce the government wage bill through commercialization of select functions.

Poverty reduction and equity

7. The economic crisis has accelerated the number of poor who are falling below the social safety nets. In 1995, 45 per cent of the poor population were classified as very poor (not being able to meet basic food needs) and 61 per cent as poor (being able to meet basic food needs but not the cost of basic non-food items). Geographical and gender inequalities are seen to exist in poverty as well as regional variances. Poverty was found among 84 per cent of communal area households, 75 per cent in rural areas and 39 per cent in urban areas.

Land reform

8. The land-reform debate in Zimbabwe has roots in political, social and economic considerations. The Zimbabwe national human development report (NHDR) indicates that poverty in Zimbabwe is prevalent in the rural areas and linked to a persistent and traditional landholding dualism. Approximately 4,500 large commercial farms are on 11.2 million hectares of high-quality land, whereas approximately 1 million communal households live on 14.6 million

hectares of relatively poor-quality land. This is further compounded by the fact that a third of commercial farmland is unused for various reasons, including restrictions on the subdivisions of land and allocations of water rights. There is population pressure on ecologically fragile areas. Food security is a chronic problem in some parts of the country due to the environmental fragility of the land, the lack of access to agricultural inputs and unsustainable farming practices. To have an impact on poverty reduction, it would be necessary to increase the yields of small and resettlement farms. The Government has produced a land policy (land use, land administration, land tenure) and a land resettlement programme in accordance with the principles agreed during the 1998 Conference on Land Reform. In the donor-supported inception phase of the land reform programme, the recommendations of the 1998 Conference are being implemented. In the past year, the Government acquired 98 uncontested farms at fair market value. The challenge to the country is to ensure productive use of the communal and resettlement areas. This can be achieved if the infrastructure, input resources and know-how of the farmer are sufficient.

HIV/AIDS

9. The development of an effective strategy for the prevention and containment of HIV/AIDS is a priority for the country. Current projections show that by 2005, 1.2 million people will die from AIDS – about one tenth of the population. The increase in HIV/AIDS cases imposes further demands on a health system that is increasingly underfunded.

Improving the lives of women

10. The aspects of poverty in Zimbabwe described above all negatively affect gender issues. On the gender-related index (GDI), which focuses on women's capabilities, Zimbabwe ranks 108 out of 174 countries (1997) and on the gender-empowerment measure (GEM), which focuses on women's opportunities, Zimbabwe ranks 58 out of 102. Zimbabwe is still working on its national gender policy. In Zimbabwe, political processes and the current Constitution appear to militate against women's rights.

Advocacy for policy support and formulation in sustainable human development-related areas

11. UNDP advocates for national policies to facilitate attainment of human development objectives in Zimbabwe. UNDP is in a good position to stimulate and keep alive the debate on many human development issues. This has been achieved with a combination of advocacy leverage and strategic capacity development interventions. UNDP has also become a prime mediator and broker of sensitive issues by bringing the Government, civil society and donors together.

United Nations country team and UNDAF

12. The United Nations country team in Zimbabwe has evolved from a group of agencies making separate interventions without consulting each other to a coordinated group of colleagues. The ethos of the United Nations country team has been one of team-building, participation and shared visions and responsibilities. The country team has jointly developed project proposals concerning HIV/AIDS for both UNAIDS and the Turner Foundation. The United Nations country team thematic and working groups, chaired by the various agencies, continue to drive the implementation of UNDAF.

II. Results and lessons of past cooperation

13. Over the period of implementation of the first CCF, UNDP has played significant and crucial roles in macro-policy advocacy, mediation, facilitation, policy reforms and seed funding to give impetus to new initiatives. It has been able to enter into discourse with the Government and civil society and to take a leading role among other donors in the areas of poverty eradication, macroeconomics and the environment. UNDP has assisted national efforts in governance, land reform and gender issues. Outputs of some UNDP technical cooperation programmes have been adopted nationally as advocacy tools (the NHDR) and national policy frameworks (land policy, drought management policy). In addition, the outputs of the Poverty Alleviation Study Survey (PASS) were used to formulate poverty strategy in ZIMPREST. UNDP has closely assisted national efforts to mobilize external resources for programmes, for example, land resettlement (inception phase), constitutional reforms

and the PAAP. UNDP has been active in coordinating donors on sensitive areas such as social dialogue, land reform and constitutional reform while cultivating new partnerships with national stakeholders to encourage broad participation in development processes.

III. Objectives, programme areas and expected results

14. In consideration of the economic and social conditions described in chapter I and recommendations made by the first CCF review, there will be some changes in the areas of concentration and in the focus of this second CCF. The UNDP areas of intervention under the second CCF will remain strategically supportive of the Government's reform and national development goals and are consistent with the objectives of the UNDAF as stated in paragraph 15 above.

A. Poverty reduction

15. Poverty reduction (programme area 1) is a priority area for Zimbabwe. The vulnerabilities to which the vast majority of the population are exposed owing to poverty include HIV/AIDS, lack of food security, inadequate access to education, health care and land. In a human rights approach, many of the economic, social and cultural rights of the people are violated because of poverty. In the shorter term, the Government is putting together a social-protection strategy to alleviate the current suffering caused mainly by adverse macroeconomic conditions. This strategy is part of and will complement the longer-term poverty eradication strategies as stipulated in the PAAP. In the longer term, the strategy to eradicate poverty will be based on information and advocacy for pro-poor sensitive policies, working directly with communities to expand their responsiveness to programmes offering resources to combat poverty and positively to support wealth creation in the enterprise sector. To have a real impact on poverty, the CCF will streamline its interventions, paying particular attention to support to the formulation of social and economic policies, especially ones designed to stimulate job creation and focus on approaches that will assist to cushion the adverse effects of economic instability. The areas of intervention in this CCF period are described below.

Social policy advocacy

16. In this strategic area of support, the intended outcomes of the programme will include establishing a system for poverty monitoring. The national system will provide poverty data that will be used as an advocacy tool. Another intended outcome will involve support to institutions that advocate for poverty eradication in order to sustain a high level of consciousness and efforts towards that end. An outcome indicator will be the production of annual human development reports. Although these reports may focus on different themes, the vulnerability of the poor will be an important component of each one of them. Other outcome indicators of UNDP cooperation will include a revision of the PAAP, taking into account achievements to date and setting more concrete targets and a duration period for the programme.

Expected results

17. Intended outcomes will include sustaining the high level of consciousness about poverty issues in Parliament, the Government and nationally. This should result in concrete targets being set for poverty reduction at a national level. Another outcome will be the reorientation of the PAAP programme to meet new challenges. Intended outputs such as reference to poverty in macroeconomic policy documents will reflect the level of consciousness. As far as possible, the advocacy may increase outcomes such as the allocation nationally, of financial resources to poverty programmes, HIV/AIDS programmes and other social programmes. The Zimbabwe national budget already exceeds the 20/20 compact targets and the programme will be monitored so that slippages do not occur, bringing social expenditure below targeted outcome levels.

Community support programmes

18. The poverty eradication strategy in PAAP is rooted in building the capacity of the people for poverty eradication in their communities. The substantial resources required for this have, to a large extent, been raised by the Government. The challenge is to ensure their delivery to communities and build the capacity of communities to respond to them. The CCF will continue to spearhead community programmes the intended outcomes of which will be to provide learning experiences, for example creating programmes in the resettlement areas. The District Environmental Action

Plan will be linked to both UNDP- and non-UNDP-supported activities of the PAAP. An intended outcome of this programme will be to monitor the impact of the delivery of programmes in communities and impact on the livelihoods of people.

Expected results

19. The intended outcome of this strategic area of support is that the project will leverage delivery of resources to at least 12 of the districts through provision of staff to assist communities and rural district councils. The districts hosting United Nations Volunteers (UNV) should be able to show higher levels of disbursed funds than the others. The programme should also be able to expand support for the small-scale farmers, particularly in improving their access to agricultural inputs. If the infrastructure is provided, the programme should result in agricultural inputs, particularly in resettlement areas. Intended outcomes, such as changes in income, can also be measured by appropriate outcome indicators.

Support for employment creation

20. Two programmes initiated in the current CCF address this very important strategic area of support and provide some of the most easily quantifiable achievements of cooperation between UNDP and the Government. The entrepreneur development programme (Empretec) will be continued. A feasibility study for the MicroStart programme showed that there is inadequate outreach of credit institutions to areas outside the major cities and towns. The MicroStart programme will be implemented to train and build the capacity of local institutions. An outcome indicator will be the training of at least eight institutions in the second CCF.

21. Promotion of entrepreneurship and access of the poor to micro-finance credit will be increased through stimulation of the SME sector. An intended outcome will be an increase in employment. The intended outputs of the subprogramme have been estimated before and will be estimated in future in accordance with strategic results framework (SRF) requirements. Output indicators will show that at least eight micro-finance institutions will be trained and their outreach systems strengthened, resulting in increased levels of credit offered by micro-finance institutions. There is a baseline for the number of credit users and gains can be measured by the number of new clients that each institution will gain after the commencement of support by the programme. This reporting is part of the requirements of the technical service provider.

HIV/AIDS

22. The poor are vulnerable to HIV/AIDS. In fact, poverty and HIV/AIDS together constitute a major threat to the country. Although programmes are delivered by government and national institutions, the gains made are fast eroded owing to the impact of HIV/AIDS on human resources. Monitoring the impact of HIV/AIDS on economic and social sectors will be as important as monitoring the incidence of poverty. The CCF will work with other institutions to put together a monitoring system. Intended outcomes for the fight against HIV/AIDS include information dissemination and education, provision of condoms, support for home-based care, income projects for the care of orphans. Other agencies in the United Nations system are jointly working on these strategic areas of support. An output indicator in 2000 will be the convening of a national round-table meeting by UNDP on HIV/AIDS to facilitate this process. In rural areas, the rural district councils spearhead the development of each of the 57 districts. The programme will assist them in implementing strategies for combating HIV/AIDS in their areas. The national UNVs will be trained to assist the rural district councils. Such training could be offered through the National AIDS Council.

Expected results

23. An outcome indicator for the subprogramme on HIV/AIDS will be the adoption of a strategy to combat HIV/AIDS and coordinate the local-level efforts into a comprehensive programme by most of the rural district councils working with the UNVs. If rural district councils have made plans that take into account the impact of HIV/AIDS and are on a comparable basis better equipped to deal with the crisis than other rural district councils, the programme will have achieved the desired result.

B. Development management

24. Through its work in development management (programme area 2), UNDP will continue to support strategically key policy and public goods administration reforms and processes seen by the Government to constitute value added by UNDP.

Intended outcomes will be made through multifaceted technical support programmes with the primary objective of supporting national efforts to transform the Zimbabwe economic, political and social landscape through policy reforms, improvement of public administration systems and encouraging open and participatory development planning processes. UNDP will have the key goal of supporting the Government to balance different and conflicting interests.

Advocacy for sound social and economic management

25. An important strategic area of support to national efforts will be to integrate the poverty-reduction strategy into the macro-policy framework through pro-poor advocacy. Support to macroeconomic policy research will also enable effective advocacy for poverty reduction. Intended outcomes include national consensus-building through dialogue in the National Economic Consultative Forum and encouraging open and participatory macro-policy consultation and dialogue among national stakeholders in the Forum. An output indicator will include support to the creation of a database for monitoring progress and impact as well as the conduct of an impact assessment of the economic impact of HIV/AIDS.

Expected results

26. UNDP will be able to measure impact through outcome indicators identifying actual macro-policy shifts and the management and administrative systems adopted by the Government as a result of its interventions. In addition, by establishing mechanisms for greater participation of the private sector and civil society in macro-policy formulation through the work of the National Economic Consultative Forum, UNDP will be able to measure the outcomes of its work. Output indicators such as the compiling of a detailed database for effective monitoring of economic empowerment of the Government will be evidence of results. Another intended outcome is a comprehensive economic impact assessment of HIV/AIDS to facilitate national policy formulation.

Strengthening the credibility and transparency of public goods institutions

27. UNDP support to and consolidation of legislative reforms is aimed at improving the effectiveness of the Parliament of Zimbabwe, through new and direct legislation. Intended outputs such as study tours and training of Ministers of Parliament on governance and policy issues will be achieved this year. The strengthening of the capacity of independent and constitutionally established commissions (electoral, human rights, gender and anti-corruption) will deliver intended outputs such as the improvement of institutional capacity, structure and processes. Collectively, such strategic support will help to create a culture of good governance and consensus-building and tolerance between political and social parties. UNDP will support, when requested, an improved electoral process and facilitation of the forthcoming national referendum and elections. Revamping of the voters' system and assistance in establishing mechanisms to allow for greater participation and enhanced confidence of civil society in the electoral process will be clear output indicators. An intended outcome in this area will be strengthening the capacity of the media in promoting transparency and unbiased information dissemination.

Expected results

28. Output indicators in this area would include the creation of an effective Parliamentary Budget Committee, would increasingly direct the use of national resources to national priorities, an intended outcome being to enhance the capability of Parliamentary Committees to influence and comment on draft Bills. The conduct of training programmes for Parliament on policy-making and the development of a participatory framework for enhanced policy dialogue between civil society organizations and policy-makers are also output indicators. The design of an electoral support programme which includes voter education, an improved voters' roll and institutional structures to administer and oversee open, transparent and credible elections are intended outcomes. Similarly, support to the establishment of an independent constitutional commission and the creation of a professional media sensitive to human development issues are intended outcomes.

Strengthening the policy leverage capacity of stakeholders

29. The activities under this subprogramme include support to strategic capacity development activities in key national macro-policy units such as the Ministry of Finance, Office of the President and Cabinet, the

National Economic Consultative Forum, the National Economic Planning Council and the Reserve Bank of Zimbabwe; support for advocacy, planning, policy implementation and monitoring processes within these institutions; support to strategic approaches in civil service reform processes; as well as support to the Government in its institutional capacity development for national policy coordination.

Expected results

30. The main outcome intended is to enhance the institutional capacity of key policy units. The participatory dialogue framework of the National Economic Consultative Forum will be decentralized to other parts of the country and the Forum will be able to initiate and influence policies. An output indicator will be the creation of policy-monitoring and evaluation mechanisms developed to assess the impact of UNDP support to policy reforms and public sector performance culminating in strengthened institutional frameworks for enhanced development impact of implemented policies.

C. Cross-cutting themes

31. Governance will be strengthened under development management and will remain a strategic intervention for fulfilling the corporate objectives of UNDP.

32. The CRR recommended that HIV/AIDS, which was a cross-cutting theme in the first CCF, become a programme area in the second CCF. This recommendation was already anticipated by the United Nations country team in Zimbabwe, who have identified HIV/AIDS as a separate thematic area.

33. The gender policy will be finalized for Zimbabwe and support for civic education in promoting the rights of women will continue. In each area of intervention, gender issues will be considered.

34. The Government has had a good record in supporting environment conventions and has drawn multi- and bilateral funds to Zimbabwe for environmental programmes. The CRR found that the impact of environment programmes on environmental regeneration during the first CCF was somewhat marginal and recommended that the environment be treated as a cross-cutting theme in UNDP interventions in the second CCF rather than remain an area of concentration. The review team noted that although there were environmental problems in the country and that the Government considers the environment to be of importance, much of the UNDP programme in this area was supply driven and not demand driven. The CRR recommended that environment projects coming to an end should not be renewed and that the ones with a poverty impact be transferred to the poverty reduction programme. The review team recommended that a staff member be appointed to handle environment matters in the office and ensure that environment considerations and issues are mainstreamed in UNDP programmes.

35. The UNDP office has incorporated participatory development approaches in all levels of its work. The office continues to produce and support publications in this area. The UNDP Participatory Resource Centre facilitates the work of the office with access to information on poverty participatory development. UNDP will continue to ensure that participatory approaches are treated as a cross-cutting theme in its work.

IV. Management arrangements

A. Programme management

National execution

36. In Zimbabwe national execution predominantly consists of direct payments resulting in much implementation work for the UNDP office. UNDP and the Government are collaborating to improve national execution modalities in Zimbabwe. This involves a joint review of UNDP and government rules and procedures to produce a reference national execution manual for Zimbabwe. UNDP and the Government are committed to increasing government implementation through advance payments and establishment of project accounts in order to strengthen government management of technical cooperation programmes and improve reporting on impact and delivery. This will involve projects themselves taking responsibility for functions such as recruitment. Under the UNDAF, the United Nations country team has committed to undertake systematically programming in a collaborative way so as to enhance the coherence of the United Nations system. This is already the case with regard to HIV/AIDS, gender issues and employment

creation. The United Nations country team has also undertaken a joint study on NGOs in the country to improve already existing systems in collaboration of various agencies with NGOs.

B. Monitoring, review and reporting

37. The Zimbabwe office recognizes the importance of monitoring and evaluation as essential to good programme management. In 1998 the office reviewed and revamped its monitoring and evaluation systems and produced a report on the way forward. In addition, the office held workshops to train UNDP and project staff on results-oriented monitoring and evaluation and to familiarize them with new corporate monitoring and evaluation policies. The office is now better able to incorporate policies into its ongoing programmes from the beginning and has produced a set of programme indicators for its monitoring and evaluation practice. UNDP has established additional mechanisms for its monitoring and evaluation functions that take into account the strategic results framework to create a better management tool. The CCF will be reviewed annually to ensure that its objectives are still relevant. A mid-term review will be conducted mid-year 2002. The United Nations country team, under the UNDAF, has constituted an inter-agency monitoring and evaluation committee to assess and evaluate the implementation of the UNDAF work plan; the first UNDAF monitoring and evaluation report was completed in November 1999.

Annex

Resource mobilization target table for Zimbabwe (2000-2003)

Source	Amount (In thousands of United States dollars)	Comments
UNDP regular resources		
Estimated carry-over into 2000	1 271	Includes administrative and operational services
TRAC 1.1.1	4 934	A[illegible] immediately to country
TRAC 1.1.2 0 to 66.7 per cent of TRAC 1.1.1		This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
Support for policy and programme development/support technical services	320	
Subtotal	**6 525**[a]	
UNDP other resources		
Government cost-sharing	955	
Sustainable development funds	2 015	
of which:		
Global Environment Facility	1 975	
Montreal Protocol	40	
Third party cost-sharing	5 102	
Funds, trust funds and other	2 716	
of which:		
Danish Trust Fund	2 636	
Swedish Trust Fund	80	
Subtotal	**10 788**	
Grand total	**17 313**[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.